

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6661**

**BILL NUMBER: SB 386**

**NOTE PREPARED:** Dec 21, 2011

**BILL AMENDED:**

**SUBJECT:** Removal of Property From Tax Sale.

**FIRST AUTHOR:** Sen. Young R

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**      **GENERAL**  
                                 **DEDICATED**  
                                 **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** The bill removes real property from a tax sale after June 30, 2012, and before July 1, 2013, that is not real property classified as industrial property under the rules of the Department of Local Government Finance (DLGF), if all delinquent taxes and special assessments are paid before the sale. The bill also cancels penalties and costs if delinquent taxes and special assessments are paid before the sale.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** County auditors would be required to include in property delinquency notices information regarding the removal of property from a tax sale under the remedy described above. County auditors would be able to include this information within existing resources.

**Explanation of Local Revenues:** *Summary-* Counties would waive all penalties, postage/publication costs, and directly attributable tax sale costs, if owners paid their delinquent tax liens before time of sale and during the 12-month period specified by the bill. County revenues would be reduced by the total of all waived penalties and other costs for each parcel set for tax sale during that 12-month period of time. However, if the provision allowed those properties to continue on the rolls without a sale, tax revenue streams from those properties may be reestablished more quickly. (This would assume the redeemer/property owner would be able to pay future semiannual tax bills without going again into delinquency.)

**Background Information-** The following table illustrates the statewide history of parcels offered at tax sale by SRI in prior years. Seventy-five of 92 counties had their tax sales conducted by SRI during CY 2010. Seventy-six counties are scheduled to have tax sales conducted by SRI during CY 2011.

<b>Tax Sales Conducted by SRI During CY 2010 and 2011.</b>			
<b>CY</b>	<b>Number of Parcels Offered for Tax Sale</b>	<b>Number of Parcels Sold</b>	<b>Number of Counties with Tax Sales During Year</b>
2010	32,701	6,446	75
2011*	28,185	4,550	76
Total	60,886	10,996	
*Through November 2011.			

**State Agencies Affected:**

**Local Agencies Affected:** Counties.

**Information Sources:** Tim Rushenberg, President, SRI, 317-842-5818.

**Fiscal Analyst:** Chris Baker, 317-232-9851.